

STATE RISK MANAGEMENT FUND
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2006

	January-06				December-05				September-05				Current FYTD	Prior Year FY05	3 Years Ended 6/30/2005	5 Years Ended 6/30/2005
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																
Structured Growth																
Los Angeles Capital	127,276	3.4%	3.4%	4.01%	86,885	2.3%	3.4%	3.06%	86,016	3.5%	3.4%	5.46%	13.04%	7.56%	N/A	N/A
Total Structured Growth	127,276	3.4%	3.4%	4.01%	86,885	2.3%	3.4%	3.06%	86,016	3.5%	3.4%	5.46%	13.04%	7.56%	7.46%	-9.18%
Russell 1000 Growth				1.76%				2.98%				4.01%	8.99%	1.68%	7.26%	-10.36%
Structured Value																
LSV	130,595	3.4%	3.4%	4.63%	84,163	2.2%	3.4%	1.52%	86,609	3.5%	3.4%	5.06%	11.59%	18.35%	14.73%	14.78%
Russell 1000 Value				3.88%				1.27%				3.88%	9.28%	14.06%	11.00%	6.55%
Russell 1000 Enhanced Index																
LA Capital	255,910	6.7%	6.8%	4.33%	172,595	4.6%	6.8%	2.29%	171,794	7.0%	6.8%	6.45%	13.60%	7.93%	N/A	N/A
Russell 1000				2.80%				2.12%				3.95%	9.13%	7.92%	N/A	N/A
S&P 500 Enhanced Index																
Westridge	273,339	7.2%	6.8%	2.68%	179,532	4.8%	6.8%	2.10%	166,334	6.7%	6.8%	3.64%	8.65%	6.58%	N/A	N/A
S&P 500				2.65%				2.09%				3.60%	8.57%	6.32%	N/A	N/A
Index																
State Street	83,842			2.64%	55,092			2.07%	55,105			3.58%	8.51%	6.27%	8.22%	-2.45%
Total Index	83,842	2.2%	2.3%	2.64%	55,092	1.5%	2.3%	2.07%	55,105	2.2%	2.3%	3.58%	8.51%	6.27%	8.22%	-2.45%
S&P 500				2.65%				2.09%				3.60%	8.57%	6.32%	8.28%	-2.37%
TOTAL LARGE CAP DOMESTIC EQUITY	870,961	22.9%	22.5%	3.65%	578,267	15.5%	22.5%	2.20%	565,857	22.9%	22.5%	4.97%	11.19%	8.89%	9.59%	-0.28%
S&P 500				2.65%				2.09%				3.60%	8.57%	6.32%	8.28%	-2.37%
SMALL CAP DOMESTIC EQUITY																
Manager-of-Managers																
SEI	304,525	8.0%	7.5%	9.03%	189,740	5.1%	7.5%	0.95%	187,700	7.6%	7.5%	5.46%	16.09%	9.32%	13.32%	N/A
Russell 2000 + 200bp				9.13%				1.64%				5.21%	16.70%	11.64%	15.07%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	304,525	8.0%	7.5%	9.03%	189,740	5.1%	7.5%	0.95%	187,700	7.6%	7.5%	5.46%	16.09%	9.32%	13.32%	5.50%
Russell 2000				8.97%				1.13%				4.69%	15.37%	9.45%	12.81%	5.71%
DOMESTIC FIXED INCOME																
Core Bond																
Western Asset	844,112	22.2%	21.7%	0.44%	637,504	17.0%	21.7%	0.28%	545,547	22.1%	21.7%	-0.41%	0.31%	7.14%	7.36%	8.59%
Lehman Aggregate				0.01%				0.59%				-0.67%	-0.08%	6.80%	5.75%	7.40%
Index																
Bank of ND	751,446	19.8%	21.7%	-0.24%	573,570	15.3%	21.7%	0.44%	504,411	20.5%	21.7%	-0.84%	-0.64%	4.08%	5.66%	7.26%
Lehman Gov/Credit (1)				-0.18%				0.60%				-0.96%	-0.55%	4.80%	5.82%	7.35%
BBB Average Quality																
Wells Capital (formerly Strong)	838,775	22.1%	21.7%	-0.02%	636,177	17.0%	21.7%	0.58%	539,353	21.9%	21.7%	-1.05%	-0.49%	9.14%	9.20%	N/A
Lehman US Credit BAA				-0.13%				0.39%				-0.97%	-0.72%	8.60%	9.42%	N/A
TOTAL DOMESTIC FIXED INCOME	2,434,333	64.1%	65.0%	0.07%	1,847,251	49.4%	65.0%	0.42%	1,589,310	64.4%	65.0%	-0.76%	-0.28%	6.14%	6.59%	7.79%
Lehman Gov/Credit				-0.18%				0.60%				-0.96%	-0.55%	7.26%	6.41%	7.70%
CASH EQUIVALENTS																
Bank of ND	189,388	5.0%	5.0%	0.39%	1,126,496	30.1%	5.0%	1.07%	123,248	5.0%	5.0%	0.93%	2.41%	2.46%	1.74%	2.68%
90 Day T-Bill				0.32%				0.92%				0.83%	2.08%	2.15%	1.55%	2.62%
TOTAL RISK MANAGEMENT FUND	3,799,208	100.0%	100.0%	1.18%	3,741,754	100.0%	100.0%	0.80%	2,466,115	100.0%	100.0%	1.10%	3.11%	5.85%	7.59%	3.99%
POLICY TARGET BENCHMARK				1.17%				1.01%				0.60%	2.79%	6.23%	7.13%	4.37%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.